

General Sales Terms and Conditions of Gerodur MPM Kunststoffverarbeitung GmbH & Co. KG

§ 1 General

- (1) Our Sales Terms and Conditions apply exclusively; terms and conditions of the Buyer that conflict with or differ from our Terms and Conditions shall not be recognised without our express written agreement. Our Sales Terms and Conditions shall apply even if we carry out deliveries to the Buyer without reservation although we are aware of terms and conditions of the Buyer that conflict with or differ from our Terms and Conditions. Our sales terms and conditions shall also apply to all future transactions with the Buyer.
- (2) All agreements made between ourselves and the Buyer relating to the execution of this contract are laid out in this contract.
- (3) Our Terms and Conditions of Sale apply only to companies as defined in section 310 (1) of the German Civil Code (BGB).

§ 2 Quotations

- (1) Our quotations are subject to confirmation, unless otherwise stated in the order confirmation.
- (2) Illustrations, drawings, calculations, samples and other documents are only binding if expressly agreed in writing. We reserve title and copyrights to such items. This also applies to written documents designated as "confidential". The Buyer may not pass these documents on to third parties without our express written permission.
- (3) The Seller's employees are not entitled to enter into oral collateral agreements or make oral promises that go beyond the contents of the written agreement.

§ 3 Prices and conditions

- (1) Unless otherwise specified in the order confirmation, our prices are "EXW – 01844 Neustadt i. Sa., GERMANY" (INCOTERMS 2010).
- (2) In case of delivery – according to agreed terms of delivery (INCOTERMS 2010) – Gerodur assumes accessible streets for heavy duty vehicles (40to). Packaging according to Gerodur's packaging standard.
- (3) The minimum order value per order is € 500.00. Orders below the minimum order value are subject to a processing fee of € 30.00.
- (4) The legally binding sales tax is not included in our prices but listed separately in the invoice at the legally binding rate valid on the day that the invoice is generated.
- (5) Discounts require explicit written agreement.
- (6) Unless otherwise stated in the order confirmation, the purchase price shall be payable within 30 days of the invoice and net (without deductions). If the target date is exceeded, the Buyer shall be considered in arrears without a reminder. If the Buyer exceeds the target date, we are entitled to charge default interest of 8 percentage points over the base interest rate of the Deutsche Bundesbank (German National Bank) in accordance with the legal regulation, whereby we can provide evidence of higher delay damages at any time.
- (7) Notice of defects does not affect the payment obligations and compliance with the payment deadline. The Buyer is only entitled to offset rights if their counter-claims are determined to be legally valid, indisputable or recognized by us. Moreover, the Buyer is authorised to exercise their right of retention only where their counter-claim is based on the same contractual relationship.
- (8) If we receive information on a significant deterioration of the asset situation of the Buyer after conclusion of the contract, which would no longer justify granting credit, we are entitled to claim advance payment or provision of securities for payables due and/or payables not yet due from contracts which we have not yet fulfilled, even if payment has already been made via bill

of exchange. If the Buyer does not comply with this in good time, we are entitled to withdraw from the contract and claim compensation. Delivery obligations can be refused until advance payments have been made or securities have been provided. Significant deterioration of the Buyer's asset situation is to be assumed in particular in the event of receiving bad cheques, bill of exchange protests, attachment, receivership, initiation of insolvency and settlement proceedings. We are not obligated to accept bills of exchange. Should we accept them, all fees are payable by the Buyer. Payment shall not be considered made until the bill of exchange is redeemed.

§ 4 Delivery and performance times

- (1) Binding delivery dates or periods are only constituted by express written confirmation to the Buyer. Unless otherwise agreed, a delivery period shall be considered complied with if the goods are ready for shipping on its expiry, or if the Buyer has been notified of shipping readiness. Delivery periods do not begin until all documents and actions required to fulfil the order have been received or performed.
- (2) Even if binding deadlines and periods have been agreed, we are not required to account for delays in delivery and performance due to force majeure or due to events that considerably complicate delivery by us or make delivery by us impossible – including strike, lockout, official instructions, malfunctions etc., even if they involve our suppliers or their sub-suppliers. In such case, we are authorised to extend the delivery or performance by the duration of the hindrance plus an appropriate initial period or to cancel the agreement in whole or in part due to the provision that has not been fulfilled.
- (3) If a hindrance lasts more than 3 months, the Buyer shall, following the setting of an appropriate period of grace, be entitled to withdraw from the contract in terms of the non-fulfilled part. If the delivery period is extended, or if we are relieved of our obligation, the Buyer is not entitled to derive claims for damages from this.
- (4) If shipment of the deliveries is delayed more than 2 weeks after the agreed delivery date at the request or for reasons for which the Buyer is responsible or, if no precise delivery date was agreed, after notification of shipping readiness, Gerodur shall store the goods at the costs and risk of the Buyer. For every day of storage, Gerodur can invoice a storage fee of 0.05 % of the net value of the goods for every day of storage, however no more than a total of 5 % of the net value of the goods. The Buyer is entitled to prove that no damages have accrued to Gerodur, or that the damages are significantly lower. Gerodur is also entitled to prove that higher damages resulted.
- (5) We are entitled to make partial deliveries and provide partial services, as well as to delivering in advance.
- (6) Manufacturing-related over- or under-deliveries of up to 10 % of the quantity ordered are permitted.

§ 5 Transfer of risk

- (1) Unless stated otherwise in the order confirmation, delivery is made "EXW – 01844 Neustadt i. Sa., GERMANY (INCOTERMS 2010).
- (2) The risk is passed to the Buyer ex works, even if the delivery is to be made carriage paid, under similar clauses or including assembly, or if transport is organised and supervised by us.
- (3) If the shipment is delayed for reasons for which we are not responsible, the risk passes to the Buyer on notification of shipping readiness.
- (4) If the Buyer so desires, we shall take out transport insurance to cover the delivery; the resultant costs incurred shall be borne by the Buyer.

§ 6 Warranty

- (1) The ordering party must inspect the goods to ensure that they are free of faults immediately after delivery. We must be notified of obvious faults in writing immediately, but at the latest within one week of receipt of the goods, with detailed information on the type and extent of the faults. The date we receive notification shall be used to determine compliance with the complaint notice period. If we do not receive notification of obvious faults, or the notification is not received within the set period or in the correct form, such faults shall not be covered by the warranty.
- (2) We must be notified of other faults in writing within one week of discovery of the faults, with detailed information on the type and extent of the faults. The date we receive notification shall be used to determine compliance with the complaint notice period.
- (3) Minor faults which do not significantly reduce the value or the serviceability or usefulness of the goods are excluded from the warranty. The goods shall be considered in proper condition when they comply with our statements in the product description. Public statements, presentations or advertising by the manufacturer shall not be considered contractual statements of the properties of the goods.
- (4) In the event of a problem with the delivered goods, we are entitled to subsequent performance of our choice, i.e. fault rectification or delivery of new products. We are obliged to bear all expenditures – especially transport, route, labour and material costs – required for subsequent performance provided these expenditures are not increased due to the fact that the goods are delivered to a location other than the place of performance.
- (5) If subsequent performance fails, we are entitled to repeat subsequent performance. If this occurs, we can again choose to deliver a new product or to rectify the fault.
- (6) If subsequent performance fails finally, the Buyer can claim for reduction of payment or reversal of the contract. If the Buyer chooses to withdraw from the contract after failed subsequent performance, they are not entitled to claim compensation for damages arising from the fault. If the Buyer decides to claim for damages after failed subsequent performance, the damages are restricted to the difference between the purchase price and the value of the faulty item. This does not apply for intentional violation of the contract.
- (7) The warranty period is one year, starting from the transfer of risk.

§ 7 Liability

- (1) Liability for compensation above and beyond that specified in § 6 is excluded – regardless of the legal nature of the asserted claim. This applies especially to compensation claims arising from culpability at contract conclusion, from other breaches of obligation or from tortious claims for material damage.
- (2) The limitation of paragraph 1 shall also apply if the Buyer requests compensation for useless expenditures instead of the fulfilment of his claim to compensation for damages.
- (3) In so far as our liability for compensation is excluded or limited, this shall also apply to the personal liability of our salaried employees, waged workers, hired staff, representatives and vicarious agents.

§ 8 Retention of title

- (1) We shall reserve the title to the purchased item until all payments from the delivery agreement are received. In the case of contractual violation by the Buyer, especially in the case of late payment, we are entitled to reclaim the goods. If we take back the purchased item, this action is not equivalent to withdrawal from the contract, unless we declare so expressly in writing. After taking back the goods, we are entitled to re-use them. The returns from re-use will be offset against the payables by the Buyer, after deduction of the re-use costs.
- (2) The Buyer is obliged to handle the goods carefully, and has a special obligation to insure them adequately, at their own cost, for the value of the items when new, against fire, water and theft damage. The Buyer must also perform maintenance and inspection work, insofar as this is required, at their own cost and in due time.
- (3) In the event of attachments or other interventions by third parties, the Buyer must inform us immediately in writing, so that we can instigate proceedings according to § 771 ZPO (German Civil Process Order). If the third party is not in a position to award us the in-court and out-of-court costs, then the Buyer is liable for our loss of revenues.
- (4) The Buyer is entitled to sell the purchased item(s) in the ordinary course of business. However, with this agreement they already cede to us all claims in the amount of the final invoice sum (including VAT) of our claim, that result from the resale to their buyer or third party, regardless of whether the goods were sold with or without processing. The Buyer is entitled to collect these claims even after assignment. Our entitlement to collect the claim ourselves shall remain unaffected. However, we commit ourselves to not collecting these claims as long as the Buyer satisfies their payment obligations from the payments taken over, does not default on payments, and in particular as long as a settlement or initiation of insolvency proceedings has not been applied for and the payments are not terminated. Should this be the case, then we can however demand that the Buyer shall inform us of the assigned claims and their debtors, provide all information for the collection, hand over the respective documents and notify the debtors (third parties) of the assignment.
- (5) Processing or alteration of the goods by the Buyer is always performed on our behalf. If the purchased item(s) are processed with components that do not belong to us, then we shall acquire co-ownership of the new object in the ratio of the value of the purchased item(s) (final invoice amount including VAT) to the other processed objects at the time of processing. In addition, the same applies to the object created as a result of processing as for the goods supplied subject to reservation of title.
- (6) If the purchased item(s) are inseparably combined or mixed with components that do not belong to us, then we shall acquire co-ownership of the new object in the ratio of the value of the purchased item(s) (final invoice amount including VAT) to the other combined or mixed objects at the time of the combination or mixing. If combination or mixing is carried out in such a way that the Buyer's item is to be considered the main item, then it is considered agreed that the Buyer shall transfer co-ownership to us on a proportionate basis. The Buyer shall reserve the sole property or joint property created in this way for us.
- (7) The Buyer also assigns us his claims for securing our claims against him caused by the incorporation of the goods into a property belonging to a third party.
- (8) We undertake, if requested by the Buyer, to release securities to which we are entitled to the extent that the realizable net value of our securities exceeds the securitised claims by more than 10 %; the selection of which securities to release is for us to decide.

§ 9 Jurisdiction, place of performance, applicable law, severability

- (1) Our headquarters is the place of performance. Nevertheless, we are also entitled to take legal action against the Buyer at their place of residence.
- (2) Unless otherwise specified in the contract confirmation, our place of business in Neustadt is the place of performance.
- (3) The law of the Federal Republic of Germany applies exclusively; in particular, the United Nations Convention on Contracts for the International Sale of Goods (CISG) shall not be applicable.
- (4) Should a provision in these Terms and Conditions or a provision in other agreements be or become null and void, the effectiveness of the remaining provisions or agreements shall remain unaffected.

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